

## QUALITY CHILD CARE FOR FEDERAL EMPLOYEES ACT

SEPTEMBER 15, 1999.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

Mr. BURTON of Indiana, from the Committee on Government  
Reform, submitted the following

## REPORT

[To accompany H.R. 28]

[Including cost estimate of the Congressional Budget Office]

The Committee on Government Reform, to whom was referred the bill (H.R. 28) to provide for greater access to child care services for Federal employees, having considered the same, report favorable thereon without amendment and recommend that the bill do pass.

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### I. BACKGROUND AND NEED FOR LEGISLATION

The Treasury, Postal Service, and General Government Appropriations bill for Fiscal Year 1988 contained a provision which allowed child care centers to be based in Federal buildings for the convenience of Federal employees.<sup>1</sup> This program has shown explo-

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<sup>1</sup> Section 616(a) codified in 40 U.S.C. 490(b).

sive growth in recent years. With more than 1,000 centers providing day care for over 188,000 children, the Federal program, which includes the Department of Defense, is the largest employer-sponsored child care program in the United States.<sup>2</sup> H.R. 28 builds upon the 1987 law to provide enhanced standards that would improve the quality and accountability of all Federal child care facilities.

Currently, Federal agencies have a variety of operational approaches and funding strategies for their child care programs. Likewise, oversight, accreditation, and compliance with current health and safety standards vary among agencies, leading to inconsistent quality of care in the Federal programs. The Military Child Care Act of 1996 provides standards and oversight for military child care programs. H.R. 28, the "Quality Child Care for Federal Employees Act," (hereinafter referred to as "H.R. 28" or "the Act") would establish uniform for Federal child care centers.<sup>3</sup>

H.R. 28 aims to improve Federal child care in three ways:

1. It would require uniform health, facility and safety guidelines, accreditation and complete background checks of child care workers;
2. It would provide consistent oversight of child care programs through a uniform system of monitoring and enforcement procedures to ensure the programs are compliant with the law; and,
3. It would allow greater flexibility toward providing affordable child care by permitting pilot projects and public-private partnerships.

Federally sponsored day care centers must meet basic health and safety requirements in order to ensure the safety and well being of the children in their care. The General Services Administration (GSA), which is responsible for overseeing Federal child care facilities, supports H.R. 28's requirement that Federal child care centers meet local licensing standards, accreditation standards, and other child care program requirements.<sup>4</sup>

Local licensing standards would help ensure that Federal child care centers provide care that is, at a minimum, equivalent to care provided in other local child care centers. Local accreditation standards represent the industry standard for the minimum level of education and care a center should provide. H.R. 28 would require all Federally sponsored child care centers to be accredited and maintain a comparable level of quality, which would ensure that pro-

<sup>2</sup>There are 240 civilian child care centers at which 15,000 children receive care. General Services Administration Report entitled: "Steps to Improve Federally-Sponsored Child Care," (1998). In Fiscal Year 1997, the Department of Defense operated nearly 800 centers with a capacity of 74,000, and almost 10,000 family child care homes whose capacity totals 59,000. The Department of Defense conducts an additional school-age program which provides care to over 40,000 children. Congressional Research Service Report, "Children and their Families: Federal Programs and Tax Provisions", (May 12, 1999).

<sup>3</sup>The Military Child Care Act of 1996, Public Law 104-106, provides standards and oversight for military child care programs. The Act includes all military services except the United States Coast Guard, which operates under the aegis of the Department of Transportation except in times of war.

<sup>4</sup>Hearing on H.R. 2982, the Quality Child Care for Federal Employees Act, Before the Subcommittee on Government Management, Information, and Technology of the House Committee on Government Reform and Oversight (statement of Ms. Susan Clampitt, Associate Administrator for Management and Workplace Programs, General Services Administration, February 11, 1998). (This bill was identical to H.R. 28.)

grams are safe and appropriate to the healthy development and well being of the children they serve.

Currently, there is a lack of consistent oversight and evaluation among child care programs in the Executive Branch of the Federal Government. H.R. 28 would provide that oversight by requiring the Administrator of GSA to establish health, safety, and facility standards, and to evaluate compliance with those standards. A uniform evaluating body and consistent interpretation of requirements would help to ensure the quality of these Federally sponsored centers, and the health and safety of the children enrolled.

Uniform program evaluation is key to a safe, healthy and quality program. The Department of Defense contends that the single most effective method of improving and maintaining program quality has been the ability to assess program accountability by conducting quarterly unannounced inspections and ensuring compliance with standards. H.R. 28 would establish similar accountability in other Executive Branch programs. The bill would also establish enforcement procedures for centers that fail to comply with the health, safety and facility requirements. It includes provisions for the development of corrective action plans, and mandates that the affected portion of a child care center be closed if a situation develops that is life threatening or poses the risk of serious harm to a child. The bill would require the disclosure of any facility, safety, health or program violations to parents.

The Act provides for criminal background checks for individuals employed in Federally sponsored centers. This is needed because some Federal agencies have interpreted the Crime Control Act as not being applicable to their centers because the Crime Control Act specifically applies to employees. In the case of Federal (non-DOD) centers, employees are hired by the child care provider, not the Federal Government. H.R. 28 would require that all current and newly hired workers in all child care centers located in Federally owned or leased facilities undergo criminal background checks.

Allowing child care programs to consider the use of pilot projects could lead to innovative public-private partnerships that have the potential to lower the cost of child care to parents. H.R. 28 would give Federal agencies the authority to enter into agreements with privately operated child care centers for the purpose of providing care to children. These demonstration projects and innovative approaches would give Federally sponsored centers access to public and private funding. For example, it would permit agencies to partner with schools for before- and after-school programs. Partnerships, such as these, would improve the ability of Federal agencies to provide quality child care at more affordable rates.

H.R. 28 would give non-Federal Government employees access to centers where there has been Government downsizing and, accordingly, a shortage of Federal employees. The bill broadens the definition of a child eligible for child care in a Federal child center to include other dependent children who live with Federal employees (e.g., nieces, nephews, grandchildren, foster children and children of on-site contractors).

In summary, the bill would improve the quality of Federally sponsored child care by requiring accreditation and sharing information on best practices in health safety and facilities. It would in-

crease the accountability and consistent oversight of Federally sponsored programs, and could ultimately lower the cost for Federal employees through its model demonstration projects.

## II. LEGISLATIVE HEARINGS AND COMMITTEE ACTIONS

H.R. 28, the “Quality Child Care for Federal Employees Act,” is similar to legislation passed in the 105th Congress, H.R. 2982.<sup>5</sup> H.R. 28 was introduced January 6, 1999, by Representative Benjamin Gilman of New York. The bill was considered by the Subcommittee on Government Management, Information, and Technology on May 13, 1999, and passed unanimously by voice vote. On May 19, 1999, the full Committee on Government Reform considered H.R. 28 and passed the measure unanimously by voice vote.

## III. COMMITTEE HEARINGS AND WRITTEN TESTIMONY

On February 11 and 12, 1998, the Subcommittee on Government Management, Information, and Technology conducted a legislative hearing on H.R. 2982, the “Quality Child Care for Federal Employees Act.” This bill was similar to H.R. 28. The hearing examined various issues involving child care programs at Federal facilities. Witnesses testified concerning the intent of the bill; the bill’s objectives; and the reason for various provisions and suggested changes.

Representative Benjamin Gilman of New York, who introduced H.R. 2982, testified in support of the legislation, stressing the need for improved Federal child care nationwide. He described instances in which his constituents have suffered the tragic deaths of their children, which resulted from inadequate day care. Representative Gilman said that such tragedies occur when child care facilities have deplorable conditions, unqualified personnel, and a blatant disrespect for the laws intended to protect children in their care. Mr. Gilman added that H.R. 2982 was needed to ensure that tragedies such as he described would not take place in Federal facilities.

Representative Gilman also testified that because many child care facilities are housed in Federal buildings, State and local authorities have little or no jurisdiction to enforce health, fire, and safety codes at those centers.<sup>6</sup> He acknowledged that many Federal child centers have standards that are often much higher than individual State standards. Representative Gilman testified that the intent of H.R. 2982 was not to lower standards at Federal programs that maintained standards that exceed those of a State; instead, he stressed the intent was to raise standards at facilities that fell below State and local codes, and hold them accountable for doing so.

<sup>5</sup>On February 11 and 12, 1998, the Subcommittee on Government Management, Information, and Technology held a legislative hearing on H.R. 2982, also introduced by Representative Benjamin A. Gilman of New York. After consultation with the Minority and the Administration, the subcommittee marked up the legislation and reported it to the full Committee on Government Reform and Oversight on February 12, 1998. The full Committee on Government Reform and Oversight passed the measure in the form of an amendment to H.R. 4280, introduced by Representative Constance Morella of Maryland. H.R. 4280 passed the House of Representatives by voice vote on July 8, 1998; however, the version which passed did not contain the Gilman language.

<sup>6</sup>H.R. 2982 would have required all Federal centers maintain basic health and safety regulations.

Ms. Susan Clampitt, the Associate Administrator for Management and Workplace Programs of GSA testified in support of H.R. 2982. She stated that H.R. 2982 would strengthen the ability of the Federal Government to provide the two most critical issues involving Federal child care programs—quality care and affordability.

Ms. Clampitt said that, despite the size of the GSA program, there are vast differences in the quality of child care centers. She supported the bill's requirement for an interagency council to coordinate policy and share best practices, saying that it would increase accountability by requiring child care centers to adhere to a uniform set of regulations. Similar to H.R. 28, H.R. 2982 required GSA to develop uniform regulations with assistance from representatives of the Legislative Branch of the Government. She suggested that H.R. 2982 would set national health, safety and facility standards and require centers to meet State and local licensing and national accreditation requirements.

Ms. Clampitt also testified in favor of the Administration's proposed amendment that would modify the requirement that 50 percent of each center's enrollment be children of Federal workers. The amendment would have allowed the program to use a national average. As is true of H.R. 28, the proposed language also broadened the definition of a child eligible for Federal child care to include children in the custody of Federal employees, such as grandparents and legal guardians. The expanded definition also includes children of contractors who are working at a Federal agency. In addition, Ms. Clampitt suggested that the most important part of H.R. 2982 was its provision to pilot programs and demonstration projects, including those involving the private sector.

#### IV. EXPLANATION OF THE BILL

##### A. OVERVIEW

H.R. 28 builds upon Public Law 100–202, passed in 1987, which allowed child care centers to be based in Federal buildings for the convenience of Federal employees and their agencies. The purpose of H.R. 28 is to provide for enhanced standards for Federal child care centers, with the goal of improving the quality and accountability of Federal child care facilities throughout the country. The legislation would require the Administrator of the General Services Administration to: (1) establish and enforce child care health, safety and facility standards; and (2) require child care centers to comply with accreditation standards issued by a nationally recognized accreditation organization approved by the Administrator, and prescribe enforcement procedures.

This legislation would allow the GSA to offer child-care services to more children by expanding the definition of Federal employee children to include all children in the custody of Federal employees, such as grandparents and legal guardians, and children of on-site Government contractors. It would also modify the existing requirement that 50 percent of the children enrolled at each center must belong to Federal families. Instead, the 50 percent requirement would be based on a national average, giving priority to children of Federal workers. If a facility's enrollment drops below this goal, the provider would be required to develop and implement a busi-

ness plan with the sponsoring Federal agency to achieve the goal within a reasonable time frame.

The legislation would authorize an agency or the Administrator of GSA to enter into an agreement to provide care with an existing non-Federal, licensed and accredited child care facility, or a planned facility that will become licensed and accredited. In addition, upon approval of the agency head, a pilot program for up to two years can be developed to test innovative approaches to providing more cost-effective alternative forms of child care assistance for Federal employees. The Administrator is designated to serve as an information clearinghouse for such pilot programs.

The legislation would require all existing and newly hired workers in any child care center located in Federally owned or leased facilities to undergo a criminal background check. In addition, one year after enactment of this Act, each agency head is directed to require that each new child care facility the agency operates or contracts with must provide reasonable accommodations for nursing mothers and their infants.

The legislation provides for technical assistance, studies, and reviews in order to assist child care center operators in complying with this Act. It instructs the Administrator of GSA to establish an interagency council to facilitate cooperation and coordinate policies regarding the provision of child care centers in the Federal Government.

#### B. SECTION-BY-SECTION ANALYSIS

##### *Section 1. Short title*

This bill is cited as the “Quality Child Care for Federal Employees Act.”

##### *Section 2. Definitions*

Section 2 defines the terms “accredited child care center,” “child care credentialing or accreditation entity,” “credentialed child care professional,” and “State.”

##### *Section 3. Providing quality child care in federal facilities*

###### *Section 3(a) Definitions*

This section of the bill provides definitions for the terms “Administrator,” “entity sponsoring a child care center,” “Executive agency,” “Executive facility,” “Federal agency,” “judicial facility,” “judicial office.” Subsection 3(a)(3) makes it clear that the provisions of the bill do not apply to the Department of Defense.

###### *Section 3(b). Executive branch standards and compliance*

###### *Subsection 3(b)(1). State and local licensing requirements*

This subsection requires that centers obtain State and local licenses within six (6) months of enactment. In the event a State or locality has licensing standards that exceed those of the Federal Government, the facility is required, at a minimum, to meet the standards of those States and localities. The Administrator may issue a waiver for those centers that have made substantial

progress toward complying with the licensing requirement where deemed appropriate.

*Subsection 3(b)(2). Health, safety and facility standards*

This subsection requires the Administrator to issue regulations that establish governmentwide standards for health, safety, facilities, facilities design, and other aspects of child care that the Administrator deems appropriate. Child care centers in Executive facilities must comply with these regulations. Such standards shall include requirements that child care facilities be inspected for, and be free of, lead hazards.

*Subsection 3(b)(3). Accreditation standards*

The governmentwide regulations issued by the Administrator must require that Executive Branch child care centers comply, or make substantial progress toward complying, with accreditation standards within five years of enactment of the provision to the maximum extent practicable. Contracts or licensing agreements issued for the operation of a child care center must contain this condition. Centers will be monitored for compliance with the accreditation standards.

*Subsection 3(b)(4). Evaluation and compliance*

*Subsection 3(b)(4)(A). General.*—The Administrator of GSA must evaluate Executive Branch facility's compliance with the requirements of subsection (b)(1) through (b)(3) either directly or through a review by an entity independent of the sponsoring agency. If, after evaluation, it is determined that the facility is not in compliance with these requirements, the Administrator must notify the agency of the noncompliance.

*Subsection 3(b)(4)(B). Effect of Noncompliance.*—In those instances where an independent review has found noncompliance with the licensing requirements or the regulations issued by the Administrator, Subsection 3(b)(4)(B) requires the agency head or the provider operating the center to:

- Correct life-threatening deficiencies within two business days;
- Provide a plan for correction of other non-life threatening deficiencies within four months of notification;
- Should immediately notify parents of identified deficiencies and provide a corrective plan of action;
- Certify to the Administrator that the center is in compliance;
- Notify the Administrator if the center is closed for non-compliance; and
- Close the center, or applicable portions of the center, if life threatening/risk of serious bodily harm deficiencies cannot be corrected within two business days.

*Subsection 3(b)(4)(C). Cost Reimbursement.*—Agencies with centers in non-GSA facilities shall reimburse GSA for services rendered related to the evaluation and compliance of that agency's facilities. Where there are multiple sponsors of a center, each agency will pay a pro-rata share of costs.

*Subsection 3(b)(5). Disclosure of prior violations to parents and facility employees*

The Administrator shall issue regulations that require each Executive agency that operates a child care facility, upon request, provide to any individual—who is: (1) a parent of a child enrolled at the facility, (2) a parent of a child for whom an application for enrollment at the facility has been submitted, or (3) an employee of the facility—notification of deficiencies that have been provided in the past with respect to the facility under paragraph (4)(B)(i)(III) or (ii)(III) as applicable. In addition, a description of the actions that were taken to correct those deficiencies must be provided.

*Section 3(c). Application*

This subsection requires the Administrator to delegate evaluation and compliance authorities and responsibilities outlined in Subsection 3(b)(4)(A) to Executive Branch agencies that own or lease eight or more child care centers. Centers in GSA-controlled facilities will remain under GSA oversight. Agencies that lease or operate less than eight centers will be subject to GSA oversight.

*Section 3(d). Technical assistance, studies, and reviews*

The Administrator may provide technical assistance, studies, and reviews to other Executive Branch agencies on a reimbursable basis. Similarly, the Director of the Administrative Office of the United States Courts may provide technical assistance, and conduct and provide the results of studies and reviews to their respective organizations on a reimbursable basis, or request that the Administrator provide such services on a reimbursable basis.

*Section 3(e). Council*

The Administrator shall establish an interagency child care council comprised of all Executive Branch agencies with 8 or more centers and a representative of the Administrative Office of the United States Courts. The council will develop and coordinate best practices, and develop and coordinate policy regarding the provision of child care in the Federal Government.

*Section 3(f). Authorization of appropriations*

This section authorizes \$900,000 for Fiscal Year 2000 and such sums as may be necessary for each subsequent year to carry out the provisions of this section.

*Section 4. Miscellaneous provisions relating to child care provided by Federal agencies*

*Section 4(a). Availability of Federal child care centers for on-site contractors*

The Administrator of General Services must confirm that at least 50 percent of the aggregate enrollment in Federal child care centers governmentwide are children of Federal employees, on-site Federal contractors, or dependent children who live with Federal employees or on-site Federal contractors. Each provider of child care services at an individual Federal child care center shall maintain this percentage as a goal for enrollment at the center. If en-



rollment at a center drops below the goal, the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable time frame.

*Section 4(b). Payment of costs training programs*

If an agency has a child care facility in its space or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited.

*Section 4(c). Provisions of child care by private entities*

If a Federal agency has a child care facility in its space or is a sponsoring agency for a child care facility in other Federal or leased space, the agency, the child care center board of directors, or GSA may enter into an agreement with one or more private entities under which such private entities would assist in defraying the general operating expenses of the child care provider including, but not limited to, salaries and tuition assistance programs at the facility.

*Section 4(d). Pilot projects*

Upon approval of the agency head, an agency may conduct a pilot project not otherwise authorized by law for up to two years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees.

*Section 4(e). Background check*

All existing and newly hired workers in any child care center located in Federally owned or leased facilities shall undergo a criminal history background check.

*Section 5. Requirement to provide lactation support in new executive child care facilities*

The bill requires that one year after the date of enactment the head of each Federal agency shall require that each new child care facility provide reasonable accommodations for the needs of breast-fed infants and their mothers, including providing a lactation area or a room for nursing mothers, as part of the operating plan for the center.

## V. COMMITTEE OVERSIGHT FINDINGS

Pursuant to rule XIII, clause 3(c)(1), of the Rules of the House of Representatives, the results and findings for those oversight activities are incorporated in the recommendations found in the bill and in this report.

## VI. BUDGET ANALYSIS AND PROJECTIONS

The budget analysis and projections required by Section 308(a) of the Congressional Budget Act of 1974 are contained in the estimate of the Congressional Budget Office.

VII. COST ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, June 1, 1999.*

Hon. DAN BURTON,  
*Chairman, Committee on Government Reform,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 28, the Quality Child Care for Federal Employees Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

DAN L. CRIPPEN, *Director.*

Enclosure.

*H.R. 28—Quality Child Care for Federal Employees Act*

Summary: H.R. 28 would change the way the federal government regulates and provides child care services to its civilian employees. Section 3 of the bill would authorize the appropriation of \$900,000 for fiscal year 2000 and such sums as are necessary for other years to implement the bill's regulatory measures. The bill's provisions would not apply to child care centers that are located in facilities of the legislative branch.

Assuming appropriation of the necessary amounts, CBO estimates that implementing this bill would cost the federal government about \$1 million in fiscal year 2000 and less than \$1 million in each of fiscal years 2001 through 2004. The estimated amount for 2000 includes the \$900,000 authorized under section 3. Because H.R. 28 could affect direct spending, pay-as-you-go procedures would apply. CBO estimates, however, that any effect on direct spending would not be significant.

H.R. 28 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not have any significant effects on the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: CBO estimates that implementing this bill would cost the federal government about \$1 million in fiscal year 2000 and less than \$1 million in each of fiscal years 2001 through 2004.

*Spending subject to appropriation*

For purposes of this estimate, CBO assumes that appropriations will be provided near the beginning of each fiscal year and will be sufficient to fund the activities authorized by the bill.

Regulating Child Care Provided in Federal Facilities. H.R. 28 would regulate the provision of child care in federal facilities and would authorize the appropriation of \$900,000 in 2000 to develop rules and bring facilities into compliance with the new standards. For example, the bill would require that child care centers in or sponsored by civilian agencies comply with state and local licensing requirements, health and safety standards established by the General Services Administration (GSA), and private accreditation

standards. GSA would be responsible for inspecting the facilities and ensuring compliance. In addition, the bill would establish an interagency council to develop and coordinate federal policy.

Because these requirements would largely codify current practice, CBO estimates that they would have no significant impact on federal costs beyond those incurred in 2000. For instance, GSA already inspects its centers each year for health and safety and requires that providers of care achieve accreditation. In addition, although not required by the bill, federal agencies may opt to obtain state or local licenses for the centers, but CBO estimates that the cost of such licenses would be negligible. Likewise, we estimate that the increase in costs for the interagency council would be minimal.

Authorizing Alternative Methods for Providing Child Care in Federal Facilities. H.R. 28 would authorize alternative methods for providing child care in federal facilities, including pilot projects to test innovative approaches. It would authorize GSA to enter into public-private partnerships with nongovernmental entities, allow private entities to pay a portion of a center's operating expenses, and give GSA the option of waiving the requirement that a center give priority to children of federal employees. In exchange for a waiver, the center would have to agree to increase its capacity, affordability, or range of services. CBO estimates that implementing these provisions would increase costs at agencies to administer any agreements and to conduct the pilot projects, but that the annual costs would not be significant. Under current law, private entities already can contribute to the costs of providing salaries and benefits to a center's employees. H.R. 28 would broaden this authority to include such things as tuition assistance. Any increase in these payments would have no budgetary effect, however, because they would be made to the private providers of care and not the federal government.

Other Provisions. The bill would authorize agencies to reimburse employees of child care centers for the costs of attending child care conferences, meetings, and training programs.

In addition, for centers in federal facilities, it would require that children of federal employees represent at least 50 percent of aggregate enrollment, that agencies perform a background check on the criminal history of all workers, and that reasonable accommodations be provided for mothers who breast-feed their infants.

Currently, agencies have the authority to reimburse employees of child care centers for the cost of attending GSA's annual child care conference. H.R. 28 would extend this authority to other conferences, meetings, and training programs. CBO estimates that the provision would increase annual costs by less than \$500,000.

Under current law, children of federal employees must represent at least 50 percent of the children enrolled at individual centers. H.R. 28 would apply the percentage to aggregate enrollment instead of to each center, but each individual center would be required to have a plan to meet the 50-percent goal. Because civilian agencies neither pay for the cost of operating the centers nor receive any payment from private operators for the use of these facilities, CBO estimates that this provision would have no significant impact on federal spending. The bill could result in a minor in-

crease in costs for GSA to monitor and ensure compliance with the provision.

According to the GSA, agencies already perform background checks on the criminal history of employees working in federal centers. Additionally, GSA requires that its centers provide a lactation area for breast-fed infants and their mothers. Thus, CBO estimates that these two provisions would have no significant impact on federal costs.

#### *Direct spending*

H.R. 28 could affect direct spending if, in carrying out public-private partnerships, the federal government would either continue to use or lease at a discounted rent surplus federal property that it otherwise would sell. For instance, the Department of Veterans Affairs (VA), which has the authority to pursue public-private partnerships through its enhanced-use leasing authority, currently is leasing some of its property to operators of child care centers at a nominal rent in return for discounted child care for its employees. While it is uncertain how GSA would use the authority, including whether H.R. 28 would allow GSA to enter into partnerships similar to the VA lease arrangements, CBO estimates that the amount of any potential forgone receipts would be less than \$500,000 annually.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. H.R. 28 could affect direct spending, but CBO estimates that any increase in such spending would not be significant.

Intergovernmental and private-sector impact: H.R. 28 contains no intergovernmental or private-sector mandates as defined UMRA and would not have any significant effects on the budgets of state, local, or tribal governments.

Estimate prepared by: John R. Righter.

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

### VIII. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to rule XIII, clause 3(d)(1), the Committee finds that clauses 14 and 18 of Article I, Section 8 of the U.S. Constitution grants Congress the power to enact this law.

### IX. COMMITTEE RECOMMENDATIONS

On May 19, 1999, a quorum being present, the Committee ordered the bill favorably reported to the House for consideration by voice vote.

### X. CONGRESSIONAL ACCOUNTABILITY ACT; PUBLIC LAW 104-1

This legislation was not drafted to include or apply to employees of the Legislative Branch of the Federal Government. However, this is not to imply that child care facilities owned and/or operated by the Legislative Branch are not to comply with the highest quality standards. In fact, the Committee has been assured by the Committee on House Administration that child care facilities

owned and/or operated by the House of Representatives already have and will maintain quality standards.

XI. UNFUNDED MANDATES REFORM ACT; PUBLIC LAW 104-4,  
SECTION 423

The Committee finds that the legislation does not impose any Federal mandates within the meaning of section 423 of the Unfunded Mandates Reform Act (P.L. 104-4).

XII. FEDERAL ADVISORY COMMITTEE ACT; (5 U.S.C. APP.) SECTION  
5(b)

The Committee finds that the legislation does not establish or authorize establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

XIII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**SECTION 616 OF THE ACT OF DECEMBER 22, 1987**

\* \* \* \* \*

JOINT RESOLUTION Making further continuing appropriations for the fiscal year 1988, and for other purposes.

\* \* \* \* \*

SEC. 616. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees during fiscal year 1988 or any fiscal year thereafter, applies to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such service, such officer or agency may allot space in such a building to such individual or entity if—

(1) such space is available;

[(2) such officer or agency determines that such space will be used to provide child care services to children of whom at least 50 percent have one parent or guardian who is employed by the Federal Government; and

[(3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees.]]

*(2) such officer or agency determines that such space will be used to provide child care and related services to children of Federal employees or on-site Federal contractors, or dependent children who live with Federal employees or on-site Federal contractors; and*

*(3) such officer or agency determines that such individual or entity will give priority for available child care and related services in such space to Federal employees and on-site Federal contractors.*

(b)(1) \* \* \*

\* \* \* \* \*

[(3) If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited by a nationally recognized early-childhood professional organization, and travel and per diem expenses for attendance by representatives of the center at the annual General Services Administration child care conference.]

*(3) If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited. Any agency, department, or instrumentality of the United States that provides or proposes to provide child care services for children referred to in subsection (a)(2), may reimburse any Federal employee or any person employed to provide such services for the costs of training programs, conferences, and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities. Any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.*

\* \* \* \* \*

[(d) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may enter into a consortium with one or more private entities under which such private entities would assist in defraying the costs associated with the salaries and benefits provided for any personnel providing services at such facility.]

*(d)(1) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency, the child care center board of directors, or the General Services Administration may enter into an agreement with one or more private entities under which such private entities would assist in defraying the general operating expenses of the child care provider including, but not limited to, salaries and tuition assistance programs at the facility.*

*(2)(A) Notwithstanding any other provision of law, if a Federal agency does not have a child care program, or if the Administrator of General Services has identified a need for child care for Federal employees at an agency providing child care services that do not meet the criteria of subsection (a), the agency or the Administrator may enter into an agreement with an existing non-Federal, licensed, and accredited child care facility, or a planned child care facility that will become licensed and accredited, for the provision of child care services for children of Federal employees.*

*(B) Prior to entering into an agreement, the head of the Federal agency must determine that child care services to be provided through the agreement are more cost effectively provided through this arrangement than through establishment of an Executive child care facility.*

(C) *The agency may provide any of the services described in subsection (b)(3) if, in exchange for such services, the facility reserves child care spaces for children referred to in subsection (a)(2), as agreed to by the parties. The cost of any such services provided by an agency to a child care facility on behalf of another agency shall be reimbursed by the receiving agency.*

(3) *This subsection does not apply to residential child care programs.*

(e)(1) *The Administrator of General Services must confirm that at least 50 percent of aggregate enrollment in Federal child care centers governmentwide are children of Federal employees or on-site Federal contractors, or dependent children who live with Federal employees or on-site Federal contractors. Each provider of child care services at an individual Federal child care center shall maintain this percentage as a goal for enrollment at the center. If enrollment at a center drops below the goal, the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable timeframe. This plan must be approved by the Administrator of General Services based on its compliance with standards established by the Administrator, and its effect on achieving the aggregate Federal enrollment percentage goal.*

(2) *The Administrator of General Services Administration may enter into public-private partnerships or contracts with nongovernmental entities to increase the capacity, quality, affordability, or range of child care and related services and may, on a demonstration basis, waive subsection (a)(3) and paragraph (1) of this subsection.*

(f)(1) *Upon approval of the agency head, an agency may conduct a pilot project not otherwise authorized by law for up to 2 years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees. An agency head may extend a pilot project for an additional 2-year period. Before any pilot project may be implemented, a determination must be made by the agency head that initiating the pilot project would be more cost effective than establishing a new child care facility. Costs of any pilot project shall be borne solely by the agency conducting the pilot project.*

(2) *The Administrator of General Services shall serve as an information clearinghouse for pilot projects initiated by other agencies to disseminate information concerning the pilot projects to the other agencies.*

(3) *Within 6 months after completion of the initial 2-year pilot project period, an agency conducting a pilot project under this subsection shall provide for an evaluation of the impact of the project on the delivery of child care services to Federal employees, and shall submit the results of the evaluation to the Administrator of General Services. The Administrator shall share the results with other Federal agencies.*

(g) *All existing and newly hired workers in any child care center located in federally owned or leased facilities shall undergo a criminal history background check as defined in 42 U.S.C. 13401.*





## A P P E N D I X

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON THE JUDICIARY,  
*Washington, DC, May 19, 1999.*

Hon. DAN BURTON,  
*Chairman, Committee on Government Reform,  
House of Representatives, Washington, DC.*

DEAR CHAIRMAN BURTON: Thank you for your letter of May 19, 1999, in which you address the jurisdiction of the Committee on the Judiciary as it relates to H.R. 28, the "Quality Child Care for Federal Employees Act."

I have reviewed the legislation and have determined that it is not necessary for the Committee on the Judiciary to conduct a markup on the bill. The Committee on the Judiciary does not waive any of its jurisdictional prerogative in this area.

I appreciate your cooperation with the Committee on the Judiciary and I look forward to working together on issues in the future.

Sincerely,

HENRY J. HYDE,  
*Chairman.*

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